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SUBJECT: U.S.-SINGAPORE PROLIFERATION TALKS IDENTIFY FUTURE
WORK AGENDA

REF: A. SINGAPORE 2833

[1](#)B. STATE 170648

Classified By: Economic and Political Counselor Laurent Charbonnet for
Reason 1.4 (d).

[1](#)1. (S/NF) Summary: On October 17-18, the U.S. held productive talks with Singapore on a broad range of nonproliferation and counterproliferation issues. The U.S. delegation, co-led by ISN/MTR Director Van Diepen and OSD/ISP/NPP Director David Cooper, was impressed by the level of preparedness and knowledge of Singapore counterparts and their general support for international efforts to stop the spread of WMD and their delivery systems. The GOS recognized the importance of the Proliferation Security Initiative (PSI) in combating WMD proliferation and agreed there was room for increased collaboration, particularly in the areas of outreach and operational cooperation. However, Singapore remained reticent about being proactive in enforcing existing export controls and hesitant to expand them, despite averring not having a principled objection to doing so. The GOS claimed that a lack of technical expertise and resources hindered its ability to harmonize its control lists with the multilateral nonproliferation regimes and to expand its transit, transshipment, and brokering controls -- despite the fact that it was already controlling the same items to certain countries or in certain contexts (e.g., munitions). To help address GOS-identified gaps in Singapore's export control system, it was agreed that ISN's Office of Export Cooperation would draft a plan to provide the necessary training to help improve Singapore's export controls. Both sides also agreed to continue the consultative process through our embassies and planned to meet again in approximately eighteen months.

[1](#)2. (U) Singapore's delegation, led by TAN Yee Woan, Director, International Organizations Directorate, Ministry of Foreign Affairs, included representatives from the Ministries of Foreign Affairs, Defence, Home Affairs, Trade and Industry and Transportation, as well as Singapore Customs, the Attorney General's Chambers, the Defence Trade Advisory Organisation, the Monetary Authority of Singapore, and the National Security Coordination Centre. (See para 28 for the delegation list.)

HIGH-LEVEL COMMITMENT

[1](#)3. (C/NF) Van Diepen and Cooper began the talks with a call on Ministry of Foreign Affairs Second Permanent Secretary Bilahari Kausikan. Kausikan chairs the Interagency Committee that makes Singapore's nonproliferation policy and has been a proponent of closer bilateral cooperation on counterproliferation. He assured Van Diepen and Cooper of his government's commitment to improving its counterproliferation regime, but acknowledged that it "has a lot to learn." Kausikan noted that the United States and Singapore have been working together for some time on an "agency-to-agency" basis, but appreciated the United States' bringing out a strong interagency team to cover a broad range of topics, in order to ensure that everyone in the GOS understands the broader picture. Cooper acknowledged Singapore's significant contributions to PSI, and Van Diepen noted that Singapore is already very capable in many areas and said that the United States wants to help it build on that capacity to fill the remaining gaps.

THREAT OVERVIEW

[1](#)4. (S/NF) Van Diepen opened the substantive dialogue with an overview of the proliferation threat, including which countries have weapons of mass destruction (WMD) programs, where their programs are heading, what specific types of commodities they are seeking, and how they try to get those items. His presentation focused on the nuclear, chemical, biological, and missile programs in countries of greatest proliferation concern -- Iran, North Korea, and Syria. Van Diepen also stressed, however, that the threat can change, and offered evidence that these and other proliferators often use third-country cut-outs to get around restrictions,

highlighting the need for as complete an export control regime as possible. Van Diepen used this point to emphasize the importance of intelligence and data from a comprehensive export control system in ensuring effective export controls. Cooper reinforced this point by noting that in some cases countries need to focus on the end-user and not necessarily the commodity, as programs of proliferation concern routinely seek technology that is not controlled. Tan noted that this context was very helpful for Singapore, particularly for those officials who do not follow proliferation trends on a day-to-day basis. Singapore officials asked many practical questions about distinguishing between items destined for WMD and missile programs versus conventional weapons or legitimate industrial programs, and how the United States managed its restrictions on countries of concern that are not currently targeted as proliferators.

15. (S) Van Diepen concluded the threat briefing by emphasizing that the U.S. views Singapore as a key country in the international effort to combat the proliferation of WMD and their delivery systems. The U.S. also sees Singapore as threatened by North Korea's WMD and missile programs; the potential that terrorists may acquire and use WMD; and the instability created in other regions of the world, notably the Middle East, by the proliferation of WMD and their means of delivery.

SINGAPORE AND COUNTERPROLIFERATION

16. (S) Following the U.S. threat briefing, Singapore delivered a presentation on nonproliferation and export controls, which focused on how Singapore viewed the WMD threat. Paul KOH Kok Hong from the MFA opened the briefing by noting that the threat from WMD proliferation is not new, but the nature of the threat has changed. First, this change has precipitated from the rise of terrorism and Singapore's belief that if terrorists acquired WMD they would without hesitation use them. Second, the nature of the threat has changed because the rise of globalization has made proliferation easier. Koh continued that Singapore had to balance its nonproliferation commitments and export controls while ensuring that Singapore maintained its status as a key maritime shipping hub.

17. (S) Continuing, Singapore provided an overview of the Strategic Goods Control Act (SGCA), Singapore's primary export control legislation; the importance of the Proliferation Security Initiative (PSI) and the Container Security Initiative (CSI); and the idea of "total supply chain security" as a new dimension to counterproliferation and nonproliferation efforts on which they sought U.S. support.

PSI

18. (C) Defense Department Director for Nonproliferation Policy David Cooper congratulated the Singaporean delegation on its growing leadership role in the PSI, and on the success of the Singapore-hosted August 2005 PSI exercise DEEP SABRE. He urged Singapore to continue to be proactive on PSI by helping to expand support for PSI in the region, for example, at an upcoming ASEAN Regional Forum meeting, and to host a meeting of the Operational Experts Group (OEG) in the second half of 2006. He also noted that improving GOS export controls and preventing proliferation from or through Singapore was a necessary element of Singapore's PSI efforts. Singapore OEG Head of Delegation Kwek (MOD) responded that Singapore was very happy to contribute to the OEG process, but that dates to host an OEG meeting were starting to fill up quickly.

19. (C) Cooper and Stumpf also discussed Singapore's role in PSI outreach, with the goal of increasing PSI participation in Southeast Asia, particularly given the Philippines, recent endorsement of the PSI Statement of Interdiction Principles. Tan and Koh responded that Singapore was working quietly with partners in the region (mentioning Thailand specifically, but implying there were others). They noted that they had been communicating closely with Australia about the results of these conversations. Koh questioned whether the statement by President Arroyo of the Philippines at the United Nations General Assembly amounted to an endorsement; "I was there, listening for it, and didn't hear it," he said. Singapore was skeptical that additional endorsements would be ready for a joint announcement by the time of the January/February 2006 Asian Senior-Level Talks on Non-Proliferation, to be held in Japan.

110. (C) Kwek inquired about U.S. plans for senior-level PSI political meetings. Cooper responded that the details were still being worked out, but that the U.S. expected this to be an opportunity for senior foreign ministry officials from all countries that have endorsed the PSI to demonstrate their political commitment to PSI and discuss various aspects of

the initiative. Kwek expressed a desire to have dates announced soon as schedules at that level were filling up quickly. Cooper speculated that the meeting would be hosted by Poland on or near the third anniversary in late May 2006, but promised to encourage an official announcement of these details as soon as possible.

CHANG DOK -----

11. (S/NF) Cooper recalled that, during their earlier meeting, MFA Second Permanent Secretary Bilahari Kausikan had raised the issue of the North Korean ship that had recently refused directions to bunker within Singapore territorial waters and his speculation that this was an indication that the proliferators had gotten the message that Singapore was committed to PSI. In this context, Cooper raised the general issue of the practice of bunkering "ships of potential proliferation" concern in areas just outside of Singapore's territorial waters, and noted the Chang Dok case from July, where, according to U.S. information, the ship was bunkered just outside Singapore's territorial waters by a Malaysian company that was operating out of Singapore. Emphasizing that the U.S. believed this was a case of North Korea specifically avoiding transiting Singapore for fear that the Chang Dok's cargo, which contained a myriad of conventional weapons and vehicles bound for Africa, would be stopped, searched, and possibly seized, Cooper asked if there were any steps that Singapore could take to discourage Singaporean entities from conducting such bunkering activities with ships of potential proliferation concern.

12. (S) Singapore officials said that they clearly recalled this situation, and noted that at the time they explored all possible means to get the Chang Dok to enter Singapore's territorial waters so the ship could be inspected. In addition, the U.S. side was informed that the Malaysian company that bunkered the Chang Dok operated out of Malaysia, not Singapore, and that Singapore already has laws that prevent Singaporean companies from bunkering ships in international waters (which they called "OPL bunkering" -- outside port limits). Cooper also opined that we would be interested in Singapore's thoughts on how we could discourage such practices by Malaysian companies.

13. (S) The Singapore delegation asked what the U.S. would would have done with the Chang Dok's cargo if Singapore could have inspected the ship. U.S. Immigration and Customs Enforcement (ICE) Attache Matt King noted that, as the Chong Dok's cargo of conventional arms, including explosives, had been purposefully mis-declared, Singapore Customs would have had legal authority to seize the cargo. King added that, if Singapore starts letting illicit, but non-WMD and missile-related cargo through, Singapore will increasingly be targeted by proliferators. Van Diepen continued that just because a DPRK cargo might not be WMD- or missile-related does not mean that it should not be stopped and seized. For example, the proceeds from shipments, such as conventional weapons, counterfeit cigarettes, and drugs, could be used to support DPRK WMD and missile programs. Furthermore, by taking action against all illicit shipments, Singapore can force proliferators to change their methods, and those new methods will eventually be discovered.

E.O. on WMD FINANCING -----

14. (SBU) Jennifer Fowler of the Department of the Treasury's Office of Foreign Assets Control (OFAC) gave a presentation on the new U.S. Executive Order 13382, Blocking the Property of WMD Proliferators and their Supporters. Her presentation detailed the criteria for designating foreign entities pursuant to E.O. 13382, and OFAC's procedures for implementing and enforcing E.O. 13382 and other financial sanctions programs. Singapore officials, particularly from the Attorney General's Chambers and Customs, asked many questions regarding sanctions-compliance requirements for U.S. companies and foreign subsidiaries of U.S. companies, as well as on OFAC's approach and jurisdiction for enforcing sanctions violations by such entities. While the Singapore law enforcement officials appeared appreciative of the power of E.O. 13382, MFA's Tan made a strong push for the United States to advocate for the counter-proliferation sanctions program in a multilateral forum to give it international credibility, much in the same way that the U.S. raised awareness of counter-terrorist financing worldwide and prevailed on other countries to take actions to disrupt it.

EXPORT CONTROLS -----

15. (S/NF) Van Diepen began the discussions on export controls by addressing Singapore's control lists. As a general matter, these lists fall short of those of the four multilateral nonproliferation regimes. However, (a) for exports of chemical and biological-related items to Iran,

North Korea, and Syria, Singapore does control almost all of the Australia Group (AG) items; (b) non-Missile Technology Control Regime (MTCR) items are controlled if they are designed or modified for military use, but not if the same items are "dual-use"; (c) only a few Nuclear Suppliers Group (NSG) items are not controlled; and (d) very few Wassenaar dual-use items are controlled. Accordingly, Van Diepen urged Singapore to harmonize its control lists with those of the multilateral nonproliferation regimes for exports to all countries. Singapore responded that its control list was developed with the understanding that the government would have to convince industry that controlling these items was important and could be done with minimal interruption to commerce and maritime trade. Attempting to address U.S. concerns about Singapore's inadequate control lists, Fauziah Sani, from Singapore Customs, added that the SGCA did have a catch-all provision, which would subject an item to export controls if it is known or suspected to be going to a WMD or missile program.

16. (S) Singapore officials also explained that they do not yet control all items, in part, because they do not have the technical capability to recognize those items or understand their applicability in a WMD or missile program. This lack of technical expertise, they claimed, would make it nearly impossible for Singapore to enforce an expanded control list. Van Diepen pointed out that Singapore already controls some of these items for a few countries -- Iran, North Korea, and Libya -- and controls other items when they are "specially designed" for military applications, but not when the same exact item is not "specially designed" for military applications. Given this situation, Van Diepen noted that it was very hard to understand how Singapore could reasonably argue that they did not have the required technical expertise to control the exact same items globally.

17. (S) Singapore officials responded by saying that, while they have established expanded controls for exports to Iran, North Korea, and Syria, they have difficulty enforcing those controls. Cooper remarked that while limited technical expertise may hamper Singapore's ability to proactively look for illicit items, Singapore should have the controls in place as a legal authority to exercise in the event that illicit items turn up -- through a PSI interdiction, for example. Tan acknowledged Van Diepen's and Cooper's points, and stressed that Singapore already has made the decision to expand its control list; the only question, she said, was timing. Sani explained that Singapore is currently engaged in industry outreach to bring private business and the shipping industry on board with the idea of a Singapore control list in line with the multilateral regimes. Phil Warker from U.S. Customs and Border Protection (CBP) pointed out that, if Singapore collected more shipping/cargo information, Singapore authorities could do a better job of targeting which ships to focus their energies on, which in turn will help manage the increased workload resulting from an expanded control list.

18. (S) Singapore officials, emphasizing their desire to improve their export controls, asked for increased access to U.S. technical expertise to help identify commodities and evaluate their applicability in a WMD or missile program. ICE Attache King offered to coordinate such requests for assistance through his office.

19. (S) Van Diepen continued the U.S. presentation by emphasizing the importance of catch-all controls and the importance of intelligence and manifest and export control data in implementing those controls. Agreeing with the U.S. points, Sani asked if Singapore could get "procurement assessment assistance" from the U.S., addressing what items proliferators need and end-users of concern. Building on the importance of catch-all controls, Van Diepen noted the importance of transit, transshipment, and brokering controls as a key component of a comprehensive export control system and encouraged the Singaporeans to control these activities the same way that exports are controlled, not just relying on a "catch-all" apparatus.

20. (S) Concluding the discussion of export controls, Van Diepen raised the issue of Singapore's controls on intangible technology. Noting that Singapore does control certain forms of intangible technology, such as e-mail, there are no controls on oral or visual transmission of controlled technology that do not occur via an electronic device. Therefore, Singapore would not control certain types of training or education, such as instructions on how to synthesize a controlled chemical or how to use a controlled machine tool, which is a very valuable form of teaching for proliferators. Noting the loopholes that existed, Van Diepen urged Singapore to control all forms of technology transfers of controlled technology.

21. (S) Following the discussion on export controls, Singapore delivered a presentation on the multi-pronged approach used to enforce the SGCA. Singapore uses a

combination of risk profiling and border controls, audits, intelligence information and international cooperation, and post-and pre-shipment inspections of Singapore entities to enforce compliance with the SGCA. While Singapore has a strong system in place to enforce the SGCA, it lacks the indigenous technical expertise to identify commodities and evaluate their applicability in a WMD or missile program. To address this deficiency, Singapore requested training courses in commodity identification and proposed the U.S. creation of a help-desk that could provide technical assistance to Singapore. The U.S. noted that the Department of Energy (DOE) has offered to provide a commodity identification course.

BIODEFENSE

122. (SBU) Cooper presented a brief overview of the U.S. military's biodefense program, which includes work on detection and identification, warning and reporting, physical protection, hazard management, medical countermeasures, and training and exercising. He noted that the United States is interested in cooperating with its friends and allies to ensure that our militaries are not only working to lower the threat of WMD, but also are better prepared to operate in a WMD environment. Cooper proposed to work with Singapore on such training and exercising, if the GOS was interested. Lieutenant Colonel KWEK Ju-Hon, Deputy Director of the Policy Office at the Ministry of Defence, expressed his thanks for the offer, and indicated MinDef would look closely at the proposal.

APEC and ARF, and HCOC

123. (C) Stumpf thanked Singapore for its close cooperation on nonproliferation issues in both APEC and the ASEAN Regional Forum, and urged Singapore's further help in continuing work in both fora. He suggested that the U.S. and Singapore might consider working on specific initiatives together, as appropriate to these fora. Singapore was glad to cooperate in the ARF if relevant and useful areas were identified, and noted its interest in pursuing "total supply chain security" in APEC, but the GOS noted that in both fora, the United States might get better results itself by acting on its own, given some other (unnamed) ASEAN countries, resistance to accepting initiatives presented by Singapore.

124. (C) Stumpf noted that the United States looked forward to the U.S.-China-Singapore ASEAN Regional Forum seminar on Nonproliferation, to be held in March 2006 in Singapore. Koh expressed Singapore's desire to "streamline the agenda" to concentrate on a smaller number of issues, and to lead on the PSI agenda item.

125. (C) Recalling Tan's impassioned pleas for multilateral approaches to proliferation finance, Van Diepen noted the inconsistency with Singapore's eschewing subscription to the Hague Code of Conduct Against Ballistic Missile Proliferation (HCOC). Tan said there was no substance problem concerning the HCOC, but the GOS wanted to be sure it fully understood and could implement the HCOC, which was far down in its list of legislative proposals. We'll get to it, she noted. Van Diepen was disappointed that Singapore had not chosen to ask the U.S. for clarification of the HCOC during our three years of seeking Singapore's support, and reiterated our readiness to answer any questions. He pointed out that the HCOC has only two requirements, both easy for Singapore to meet -- declaring its policy on ballistic missiles and space launch vehicles and pre-notifying any missile launches (of which Singapore would have none) -- and noted that the HCOC is a non-treaty political commitment that does not require legislative action. Van Diepen stressed the importance of Singapore adding its name to the 122 other Subscribers, and to help bolster this multilateral norm. Tan undertook to re-examine the HCOC, and to get back to the U.S.

PLANS FOR ACTION

126. (S/NF) Singapore officials identified five areas where they see weaknesses in their export control system, and would like assistance to build their capabilities:

-- Commodity Identification: John Wong from the Defence Trade Advisory Office noted that Singapore "has never had and will never have" nuclear or missile programs, and described his agency's expertise in these areas as "near zero." Help in identifying test and production equipment was also requested. He expressed particular interest in having a "help desk" that he could call or e-mail with parts descriptions or photos, and get a quick opinion on whether or not the items were controlled and their proliferation utility. U.S. Embassy ICE Attache and Phil Warker of CBP said they would be happy to route such GOS requests for assistance to the appropriate USG offices.

-- Licensing Procedures: Fauziah Sani of Singapore Customs noted that Singapore has put licensing procedures in place, but said that when Singapore expands its control lists, license applications will increase. She expressed interest in working with the United States to understand how best to process applications without hampering legitimate trade.

-- Targeting and Risk Management: Sani also expressed interest in learning more about how the United States identifies higher-risk cargoes for closer inspection; Vu Le of the State Department's Office of Export Control Cooperation indicated that such a training program already was planned for Singapore in the near future. Warker noted that CBP could help Singapore build a database of suppliers and end-users to help them spot anomalous shipments, if Singapore moves to require full manifest data.

-- Investigative Techniques: Sani expressed interest in training for both licensing officers and police -- so licensing officers can make better determinations on whether a license should be issued, and so police can pursue a criminal prosecution when violations are committed.

-- Industry Outreach: GOS asked for USG assistance in helping industry identify items of proliferation concern, and enlisting industry cooperation, for instance in supply chain security and the U.S. CT-PAT program.

It was agreed that ISN/EC will draft a proposal with training the USG could offer to address the areas Singapore had identified, which would then be agreed to with the GOS and implemented. The GOS also was interested in receiving basic training in administering a national authority under the International Atomic Energy Agency Additional Protocol, given that Singapore has no nuclear facilities, including the ability to observe U.S.-nuclear plants and learn about nuclear security. The U.S.-side undertook to have the relevant USG officials get back to Singapore on this request.

COMMENT

127. (C/NF) We were encouraged by the size and breadth of the Singapore delegation, which included all of the relevant players on most proliferation issues, from financing to export licensing. The talks highlighted a significant change in the GOS's general attitude towards nonproliferation issues over the past few years -- rather than being defensive and wary, Singapore's participants were highly engaged and eager to ask practical questions and learn from their U.S. counterparts. In addition, the GOS clearly identified the types of training and technical assistance it needs to implement an expanded export control system that meets international standards, and agreed to develop a plan of action with the United States to address those deficiencies. Both delegations agreed that the bilateral nonproliferation/counterproliferation process should continue, but without duplicating or impeding other contacts or bilateral fora. Regular interagency dialogue meetings -- held approximately every 18 months -- could be useful to take stock of progress, but that practical work would continue on an agency-to-agency basis with the overall nonproliferation relationship monitored via the embassy. The timing/venue of the next meeting should be finalized in about a year, to allow plenty of lead time. End Comment.

DELEGATIONS

128. (U) Singapore agencies' participation in the talks were led by:

-- Ministry of Foreign Affairs: TAN Yee Woan, Director,
International Organizations
-- Ministry of Defence: LTC KWEK Ju-Hon, Deputy Director,
Policy Office
-- Ministry of Home Affairs: TAN Puay Seng, Security
Development Executive
-- Ministry of Trade: Sandra Soon, Senior Assistant Director,
Trade Division
-- Ministry of Transport: Florence Lim, Assistant Director,
Sea Transport
-- Singapore Customs: Fauziah SANI, Head, Trade Control Branch
-- Attorney General's Chambers: LEONG Kwang Ian, State
Counsel, Civil Division
-- Defense Trade Advisory Office: John Wong, Division Manager
-- Monetary Authority of Singapore: Michael Eng, Assistant
Director, External Department
-- National Security Coordination Secretariat: Angie Tan,
Assistant Director

The U.S. delegation was:

-- Department of State, Bureau of International Security and
Nonproliferation: Vann Van Diepen, Acting Director, Office of

Missile Threat Reduction; Matthew Hardiman, Office of Export Controls Cooperation; Vu Le, Office of Export Controls Cooperation; Matthew Stumpf, Office of Regional Affairs
-- Department of Defense, Office of the Secretary of Defense: Dr. David Cooper, Director, Nonproliferation Policy
-- Department of Homeland Security: Phil Warker, Customs and Border Protection
-- Department of Commerce: Tracy Martin, Office of Export Enforcement
-- Department of Treasury: Jennifer Fowler, Office of Foreign Assets Control
-- Joint Chiefs of Staff: CDR Patrick McCarthy, Deputy Legal Counsel, Office of the Chairman
-- US Embassy: CAPT Rivers Cleveland, Defense Attache; Laurent Charbonnet, Economic and Political Counselor; Matthew King, Immigration and Customs Enforcement (ICE) Attache; Vanessa Piepenberg, Assistant ICE Attache; Colin Willett, Economic and Political Officer.

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